

FRANKLIN COUNTY

TO: BOARD OF FRANKLIN COUNTY COMMISSIONERS	Reviewed:
FROM: Lisa Johnson	Ext. 3445
DEPARTMENT: Administration /HR	
DATE: September 9, 2009	No.

ITEM: Notify BCBS of policy cancellation and agree to compensate BCBS for processing run out claims from January – March 2010

Background: Effective January 1, 2010, Franklin County will begin participating in the State of Kansas Health Plan for non state groups. To cancel our policy with BCBS without penalties, Franklin County is required to provide notice within 90 days of the effective date. Blue Cross and Blue Shield will, for \$7,008.23 in administrative fees, agree to process claims for a period of 90 days following the effective cancellation date, January 1, 2010. This 90 day period excludes individual and aggregate stop loss protection.

Recommended Action:

Approve the letter to cancel insurance coverage through BCBS effective January 1, 2010 and agree to compensate Blue Cross and Blue Shield the sum of \$7,008.23 for administrative fees for processing claims an additional 90 days.

Attachments: Cancellation letter



BOARD OF FRANKLIN COUNTY COMMISSIONERS

John E. Taylor, Chairman, 2nd District

Karen S. Farrell, 1st District
David J. Hood, 3rd District

Donald C. Hay, 4th District
Donald R. Stottlemire, 5th District



John E. Taylor
Franklin County Board Chairman
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August 26, 2009

Mr. Todd Chapple
Blue Cross and Blue Shield of Kansas
3017 W. 6th Street, Ste. B
Lawrence, KS 66049

Dear Mr. Chapple,

Please accept this letter as notification that Franklin County will not be renewing its contract with Blue Cross and Blue Shield of Kansas effective January 1, 2010. Franklin County will be joining the State of Kansas Health Plan for non state groups at that time.

Franklin County requests that Blue Cross and Blue Shield of Kansas continue to process our run out claims for 90 days. For these administrative services, Franklin County agrees to compensate BCBS the enclosed sum of \$7,008.23. Blue Cross and Blue Shield will, in turn, pay Franklin County claims at network discount prices.

We have been very pleased with the service and benefits contracted through Blue Cross and Blue Shield of Kansas. However, due to increases we've sustained over the past couple of years we feel it would be more cost effective to join a larger group at this time.

Cordially,

John E. Taylor, Chairman
Franklin County Board of Commissioners

Enclosure